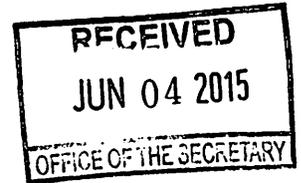


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**UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION**



**SECURITIES ACT OF 1933
Release No. 9755 / April 23, 2015**

**SECURITIES EXCHANGE ACT OF 1934
Release No. 74799 / April 23, 2015**

**ADMINISTRATIVE PROCEEDING
File No. 3-16509**

----- X
In the Matter of

**EDWARD M. DASPIN, a/k/a
"EDWARD (ED) MICHAEL";
LUIGI AGOSTINI; and
LAWRENCE R. LUX,**

Respondents.

**ANSWER TO THE ORDER
INSTITUTING
ADMINISTRATIVE AND CEASE
AND DESIST PROCEEDINGS
OF RESPONDENT LUIGI
AGOSTINI**

----- X

Pursuant to Rule 220 of the Securities and Exchange Commission's Rules of Practice, Respondent Luigi Agostini ("Agostini"), by and through his counsel, Herrick, Feinstein LLP, hereby answers the Order Instituting Administrative and Cease and Desist Proceedings (the "OIP") of the Securities and Exchange Commission ("Commission") as follows:

PRELIMINARY STATEMENT

As the Commission well knows, a business failure is not the same thing as a securities law violation, and the Commission should not confuse a situation of underfunding and mismanagement with purported violations of the securities laws and fraud. The start-up

companies Worldwide Mixed Martial Arts Sports, Inc. (“WMMA”), WMMA Distribution, Inc. (“WMMA Distribution”), and/or their affiliated entities,¹ were formed to engage in business in the mixed martial arts industry, including the organization of tournaments around the world and the creation and distribution of digital content and branded merchandise. The WMMA Companies were conceived by Respondent Edward M. Daspin (“Daspin”) and others.

The idea for the WMMA Companies was nothing short of extraordinary. However, the investors in the WMMA Companies (the “investor-operators”) -- who on paper seemed well-educated and in certain instances well-connected -- lacked the discipline to carry out the plan that would have made the WMMA Companies a success. Indeed, Daspin and others sought to ensure that the WMMA Companies became international in scope, traveling to Europe and Central and South America and helping to negotiate contracts for WMMA in various countries, as a result of which various WMMA events were set up. Put simply, the strategic plan was for the WMMA Companies to develop low cost, high quality mixed martial arts tournaments throughout the world.

Ultimately, however, the start-up funds contributed by the investor-operators were dissipated by those very same investor-operators before the WMMA Companies could turn a profit, largely as a result of poor business decisions made regarding a March 2012 mixed martial arts event in El Paso, Texas that resulted in the loss of a significant amount of money. Conversely, the funds were not dissipated as a result of any fraud committed by Daspin and aided and abetted by Agostini, as alleged by the Commission.

The cash raised from the investor-operators paid, first and foremost, for company operations -- operations that those very investors oversaw -- and to a much lesser extent

¹ WMMA, WMMA Distribution and other affiliated companies identified in the OIP shall hereinafter be collectively referred to as the “WMMA Companies” or “Companies”.

consultant and vendor services, and the draws of working individuals (like Agostini). Agostini in particular earned miniscule fees, like everyone else, considering the substantial work he performed for, and the value he strove to add to, the WMMA Companies.

In this matter, a group of highly educated professionals independently made decisions to not only invest in, but also to join -- and to fully operate on a day-to-day basis -- the WMMA Companies, a group of growing companies that, unfortunately, ultimately failed. The investor-operators were not uninformed lay people making a passive investment in a faraway business opportunity. Rather, they were sophisticated business executives, much more sophisticated in financial and business matters than Agostini himself, and they chose to fund a nascent start-up venture which they actively operated, participating in all key WMMA Company decisions. To be sure, in the OIP the SEC purposely steers clear of any mention of the substantial credentials of these "investors" -- but in reality, these executives, who ran the WMMA Companies on a daily basis, and who Agostini relied upon, included, for example:

- an MBA with 25 years of financial, treasury and risk management experience with Fortune 500 Companies who, prior to joining WMMA, spent thirteen (13) years as the Vice President and Chief Risk Officer at an energy company;
- a Columbia University graduate with a degree in engineering who, prior to joining WMMA, was the Director of Liquidity and Treasury at an asset management company where he focused on liquidity risk management of the company's approximately \$8 billion under management, and who formerly held positions at Merrill Lynch, Morgan Stanley and KPMG;
- a former Vice President of Treasury Operations at AIG Credit Corporation with an MBA in finance who, during her twelve (12) year tenure at AIG, did capital structure analysis for a \$6 billion capital portfolio and led all Treasury-related Audit and SOX compliance; and
- a Harvard MBA and Princeton graduate with twenty-eight (28) years of experience in the broadcast and entertainment industry.

Given the striking credentials of the investor-operators, Agostini reasonably believed that the WMMA Companies were being run by individuals with substantial business experience, and Agostini was fully capable of, and intended to, learn from such individuals. The goal was to obtain experienced management to aid Agostini in effectively performing his role as chairman of the boards of the WMMA Companies. It was these seasoned professionals, as well as the other board members of the WMMA Companies, on whom Agostini sensibly relied in participating in business decisions for the WMMA Companies.

No one was scammed. Indeed, certain investor-operators not only provided seed capital for the WMMA Companies, but invested further infusions of cash *after* working for the Companies for months, *after* working side by side with both Daspin and Agostini, *after* determining that these Companies were not sham entities, but rather, were operational start-ups that had the potential to achieve success, and *after* obtaining a full working knowledge of the Companies, their structures, their financial conditions, and Agostini's role.

Agostini was one of the founders of the WMMA Companies. And Agostini viewed his involvement with the WMMA Companies as a very real opportunity to become involved, at the ground floor level, in a business with great potential for success. Indeed, Agostini was given the title of Chairman of the Board of Directors of the WMMA Companies precisely because he was one of the originators of the idea for the business. And Agostini worked tirelessly and diligently in support of the WMMA Companies prior to the receipt of the investor-operators' initial investments, and thereafter. When Agostini sat on the boards of directors of the WMMA Companies, he exercised his best judgment in good faith. When required, Agostini relied upon the expertise of other board members as well as the operational

team (*i.e.*, the investor-operators themselves) to provide him with information that would allow him to make good faith business decisions on behalf of the WMMA Companies.

Significantly, Mr. Agostini had every incentive to see the WMMA Companies succeed. The WMMA Companies compromised Agostini's full-time work for a period of time. However, Agostini, like all other sweat equity investors, did not receive any set compensation, and worked for the WMMA Companies largely without receiving any pay. Agostini's small financial stipends were limited to cash advances identical to those received by others, and were to continue until such time in the future as the Companies were profitable enough to fund salaries, which they never were.

This matter is really about the investor-operators seeking to recoup their lost investments, even though they depleted those investments through their own mismanagement of the WMMA Companies. They are now seeking to point fingers at the most convenient targets, Daspin and Agostini, but Daspin and Agostini are not responsible for these losses.

This matter is not about a fraud. It is about a failed business venture -- an unfortunate, yet common, occurrence when dealing with start-up business ventures like the WMMA Companies. It was the mismanagement by WMMA Company executives, and not any fraud committed by Daspin and aided by Agostini as the Commission alleges, that drove the WMMA Companies out of business. Agostini is not a villain. He is a victim of bad circumstances. Agostini devoted close to two years of his life doing work that he believed would help build the WMMA Companies into a huge success, only to be left with nothing to show for his efforts except for an investigation by the SEC.

I.

Section I. Section I of the OIP contains no factual allegations, and thus, no response is required. To the extent that Section I can be considered to contain factual allegations asserted against Agostini, they are denied.

II.

SUMMARY

1. Admitted only that WMMA and WMMA Distribution are affiliated entities. To the extent that any of the remaining allegations in this Paragraph consist of legal conclusions, no response is required, and such allegations are therefore denied. To the extent that any of the remaining allegations in this Paragraph are directed toward a party other than Agostini, no response is required, and such allegations are therefore denied. To the extent that any of the remaining allegations in this Paragraph are deemed to be directed toward Agostini, or to require a response from Agostini, they are denied.

2. Admitted only that WMMA and WMMA Distribution obtained cash investments from seven purportedly accredited investors totaling approximately \$2.4 million. To the extent that any of the remaining allegations in this Paragraph consist of legal conclusions, no response is required, and such allegations are therefore denied. To the extent that any of the remaining allegations in this Paragraph are directed toward a party other than Agostini, no response is required, and such allegations are therefore denied. To the extent that any of the remaining allegations in this Paragraph are deemed to be directed toward Agostini, or to require a response from Agostini, they are denied.

3. The allegations in this Paragraph are directed toward a party other than Agostini, and thus, no response is required, and such allegations are therefore denied. To the

extent that any of the allegations in this Paragraph are deemed to be directed toward Agostini, or to require a response from Agostini, they are denied.

4. The allegations in this Paragraph are directed toward a party other than Agostini, and thus, no response is required, and such allegations are therefore denied. To the extent that any of the allegations in this Paragraph are deemed to be directed toward Agostini, or to require a response from Agostini, they are denied.

5. Agostini neither admits nor denies the allegations contained in this Paragraph that concern the content of the private placement memorandums of the WMMA Companies (“PPMs”). Such documents speak for themselves. Agostini respectfully refers the Court to such documents for a true reflection of their contents, and denies any allegations in this Paragraph inconsistent therewith. To the extent that the allegations in this Paragraph relate to purported “material” misrepresentations or omissions, such allegations consist of legal conclusions for which no response is required, and thus, such allegations are denied. The remaining allegations in this Paragraph are directed toward a party other than Agostini, and thus, no response is required, and such allegations are therefore denied. To the extent that any of the remaining allegations in this Paragraph are deemed to be directed toward Agostini, or to require a response from Agostini, they are denied.

6. Admitted that, upon information and belief, the offerings of WMMA and WMMA Distribution securities were not registered with the Commission. The remaining allegations in this Paragraph are directed toward a party other than Agostini, and thus, no response is required, and such allegations are therefore denied. To the extent that any of the remaining allegations in this Paragraph are deemed to be directed toward Agostini, or to require a response from Agostini, they are denied.

7. Admitted only that Agostini served as, and held himself out to be, the executive chairman of the boards of directors of the WMMA Companies. To the extent the allegations in this Paragraph consist of legal conclusions, no response is required, and such allegations are therefore denied. The remaining allegations in this Paragraph that are directed toward Agostini are denied. To the extent that any of the allegations in this Paragraph are directed toward a party other than Agostini, no response is required, and such allegations are therefore denied.

8. Admitted only that the WMMA Companies organized a mixed martial arts event in March 2012, which was unsuccessful, and are no longer actively engaged in day-to-day operations today. The remaining allegations in this Paragraph are denied.

9. The allegations contained in this Paragraph consist of legal conclusions for which no response is required, and such allegations are therefore denied. To the extent that the allegations contained in this Paragraph are directed toward a party other than Agostini, no response is required, and such allegations are therefore denied for this reason as well. To the extent that any of the remaining allegations in this Paragraph are deemed to be directed toward Agostini, or require a response from Agostini, they are denied.

RESPONDENTS

10. Admitted only that Daspin participated with others in the start-up of the WMMA Companies, and that, upon information and belief, Daspin is a 77-year old man with a past felony conviction who resides in Boonton, New Jersey. With regard to the remaining allegations in this Paragraph that concern WMMA and its affiliates, such allegations are denied. With regard to the remaining allegations in this Paragraph that concern Daspin, Agostini does not have, and is unable to obtain, sufficient information to form a belief as to the truth or falsity of such allegations, and such allegations are therefore denied.

11. Admitted.

12. Admitted only that Lawrence R. Lux (“Lux”) served as a director and/or as CEO of the WMMA Companies. With regard to the remaining allegations in this Paragraph that concern Lux, Agostini does not have, and is unable to obtain, sufficient information to form a belief as to the truth or falsity of such allegations, and such allegations are therefore denied.

RELATED ENTITIES AND INDIVIDUALS

A. The WMMA Companies

13. Admitted.

14. Admitted only that WMMA Distribution was formerly known as American Graphics Communications and Distribution Services, was organized under the laws of Nevada, was a wholly-owned subsidiary of WMMA Holdings, Inc. (“WMMA Holdings”), and was created for the purpose of distributing WMMA-branded digital content and related products. The remaining allegations in this Paragraph are denied.

15. Admitted only that WMMA Holdings was organized under the laws of Nevada and became the parent company of WMMA Distribution and WMMA. The remaining allegations in this Paragraph are denied.

B. The Consulting Companies

16. Admitted only that Daspin provided certain consulting services to the WMMA Companies through Consultants for Business & Industry, Inc. (“CBI”) and MacKenzie Mergers & Acquisitions (“MKMA”), both of which had a consulting contract with the WMMA Companies. Agostini does not have, and is unable to obtain, sufficient information to form a belief as to the truth or falsity of the remaining allegations in this Paragraph, and such allegations are therefore denied.

17. Admitted that Daspin provided certain consulting services to the WMMA Companies through CBI and MKMA. Admitted further that CBI assigned a services contract relating to the WMMA Companies to MKMA and that, upon information and belief, Daspin was designated as Senior Vice President of MKMA. Agostini does not have, and is unable to obtain, sufficient information to form a belief as to the truth or falsity of the remaining allegations in this Paragraph, and such allegations are therefore denied.

FACTS

A. Background

18. Admitted only that Daspin participated with others at the inception of the WMMA Companies, that the WMMA Companies were expected to engage in business in the mixed martial arts industry, including the organization of tournaments around the world and the creation of digital content and branded merchandise, and that WMMA Distribution would sell the content and merchandise. Admitted further that the WMMA Companies were initially operated out of the basement of Daspin's home until corporate office space was obtained. The remaining allegations in this Paragraph are denied.

19. Admitted only that, subsequent to its incorporation, WMMA Holdings held majority stock interests in both WMMA and WMMA Distribution. The remaining allegations in this Paragraph are denied.

20. Admitted only that Agostini had been a friend of Daspin's now-deceased son, served as executive chairman of the board of each of the WMMA Companies, and that Agostini had, prior to his involvement with WMMA, been involved in certain prior business ventures in which Daspin was also involved. The remaining allegations in this Paragraph are denied.

21. Admitted only that Lux served as a director and/or as CEO of the WMMA Companies. Agostini neither admits nor denies the allegations contained in this Paragraph that concern the content of the private placement memorandums of the WMMA Companies (“PPMs”). Such documents speak for themselves. Agostini respectfully refers the Court to such documents for a true reflection of their contents, and denies any allegations in this Paragraph inconsistent therewith. With regard to the remaining allegations in this Paragraph that concern Lux, Agostini does not have, and is unable to obtain, sufficient information to form a belief as to the truth or falsity of such allegations, and such allegations are therefore denied.

22. Admitted only that a president of WMMA and WMMA Distribution also served as a director of WMMA, WMMA Distribution and WMMA Holdings, this person had an interest in mixed martial arts, and this person invested approximately \$333,333 in the WMMA Companies. With regard to the remaining allegations in this Paragraph, Agostini does not have, and is unable to obtain, sufficient information to form a belief as to the truth or falsity of such allegations, and such allegations are therefore denied.

23. Agostini does not have, and is unable to obtain, sufficient information to form a belief as to the truth or falsity of the allegations in this Paragraph, and such allegations are therefore denied.

B. The Consulting Agreement

24. Admitted only that Daspin provided certain consulting services to the WMMA Companies. To the extent that the allegations contained in this Paragraph are directed toward a party other than Agostini, no response is required, and such allegations are therefore denied for this reason as well. To the extent that any of the remaining allegations in this

Paragraph are deemed to be directed toward Agostini, or to require a response from Agostini, they are denied.

25. Agostini neither admits nor denies the allegations contained in this Paragraph, which concern the content of various contracts and agreements. Such documents speak for themselves. Agostini respectfully refers the Court to such documents for a true reflection of their contents, and denies any allegations in this Paragraph inconsistent therewith.

26. Admitted only that CBI assigned a services contract relating to the WMMA Companies to MKMA, that Daspin provided certain consulting services to the WMMA Companies through CBI and MKMA, and that, upon information and belief, Daspin was designated as Senior Vice President of MKMA. Agostini neither admits nor denies the remaining allegations contained in this Paragraph, which concern the content of various contracts and agreements. Such documents speak for themselves. Agostini respectfully refers the Court to such documents for a true reflection of their contents, and denies any allegations in this Paragraph inconsistent therewith.

27. Agostini neither admits nor denies the allegations contained in this Paragraph, which concern the content of various contracts and agreements. Such documents speak for themselves. Agostini respectfully refers the Court to such documents for a true reflection of their contents, and denies any allegations in this Paragraph inconsistent therewith.

28. Admitted only that MKMA earned the right to receive human resources commissions for services performed in connection with the recruitment of the investor operators of the WMMA Companies based, upon information and belief, on an annual salary for such individuals of \$150,000, and also earned the right to receive human resources commissions for services performed in connection with the recruitment of other employees. Agostini neither

admits nor denies the allegations contained in this Paragraph that concern the content of various contracts and agreements. Such documents speak for themselves. Agostini respectfully refers the Court to such documents for a true reflection of their contents, and denies any allegations in this Paragraph inconsistent therewith. Agostini denies the remaining allegations in this Paragraph.

29. Agostini neither admits nor denies the allegations contained in this Paragraph, which concern the content of various contracts and agreements. Such documents speak for themselves. Agostini respectfully refers the Court to such documents for a true reflection of their contents, and denies any allegations in this Paragraph inconsistent therewith.

30. Denied.

31. Denied.

C. Oral Misrepresentations and Omissions in Soliciting Investors

32. To the extent that the allegations contained in this Paragraph consist of legal conclusions, no response is required, and such allegations are therefore denied. To the extent that the allegations contained in this Paragraph are directed to a party other than Agostini, no response is required, and such allegations are denied. Agostini does not have, and is unable to obtain, sufficient information to form a belief as to representations purportedly made by Daspin in conversations in which Agostini did not participate, and such allegations are therefore denied as well. The remaining allegations in this Paragraph, to the extent they are deemed to be directed at Agostini, or to require a response from Agostini, are denied.

33. Agostini does not have, and is unable to obtain, sufficient information to form a belief as to representations purportedly made by Daspin in conversations in which Agostini did not participate, and such allegations are therefore denied. The remaining

allegations in this Paragraph, to the extent they are deemed to be directed at Agostini, or to require a response from Agostini, are denied.

34. The allegations contained in this Paragraph consist of legal conclusions, to which no response is required, and such allegations are therefore denied. The remaining allegations in this Paragraph, to the extent they are deemed to be directed at Agostini, or to require a response from Agostini, are denied.

35. Agostini neither admits nor denies the allegations contained in this Paragraph that concern the content of various contracts and agreements. Such documents speak for themselves. Agostini respectfully refers the Court to such documents for a true reflection of their contents, and denies any allegations in this Paragraph inconsistent therewith. To the extent that any of the remaining allegations contained in this Paragraph are directed to a party other than Agostini, no response is required, and such allegations are denied. To the extent that any of the remaining allegations in this Paragraph concern work purportedly performed by Daspin and/or his wife, Agostini states that, upon information and belief, Daspin and his wife performed human resources consulting services for the WMMA Companies. The remaining allegations in this Paragraph, to the extent they are deemed to be directed at Agostini, or to require a response from Agostini, are denied.

36. Agostini does not have, and is unable to obtain, sufficient information to form a belief as to representations purportedly made in conversations in which Agostini did not participate, and such allegations are therefore denied. The remaining allegations in this Paragraph that are directed toward a party other than Agostini require no response, and such allegations are therefore denied. To the extent that the remaining allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

37. Agostini does not have, and is unable to obtain, sufficient information to form a belief as to representations purportedly made by Daspin in conversations in which Agostini did not participate, and such allegations are therefore denied. Moreover, the allegations in this Paragraph are directed toward a party other than Agostini, and thus, no response is required, and such allegations are therefore denied. To the extent that the remaining allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

38. Agostini does not have, and is unable to obtain, sufficient information to form a belief as to representations purportedly made by Daspin in conversations in which Agostini did not participate, and such allegations are therefore denied. Moreover, the allegations in this Paragraph are directed toward a party other than Agostini, and thus, no response is required, and such allegations are therefore denied. To the extent that the remaining allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

39. Agostini does not have, and is unable to obtain, sufficient information to form a belief as to representations purportedly made by Daspin in conversations in which Agostini did not participate, and such allegations are therefore denied. Moreover, the allegations in this Paragraph are directed toward a party other than Agostini, and thus, no response is required, and such allegations are therefore denied. To the extent that the remaining allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

40. Agostini does not have, and is unable to obtain, sufficient information to form a belief as to representations purportedly made by Daspin in conversations in which Agostini did not participate, and such allegations are therefore denied. Moreover, the allegations in this Paragraph are directed toward a party other than Agostini, and thus, no response is

required, and such allegations are therefore denied. To the extent that the remaining allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

41. Agostini does not have, and is unable to obtain, sufficient information to form a belief as to representations purportedly made by Daspin in conversations in which Agostini did not participate, and such allegations are therefore denied. Moreover, the allegations in this Paragraph are directed toward a party other than Agostini, and thus, no response is required, and such allegations are therefore denied. To the extent that the remaining allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

D. Misrepresentations to Prospective Investors in the PPMs

i. Misrepresentation of Daspin's Role at the Companies

42. Agostini neither admits nor denies the allegations contained in this Paragraph that concern the content of various PPMs. Such documents speak for themselves. Agostini respectfully refers the Court to such documents for a true reflection of their contents, and denies any allegations in this Paragraph inconsistent therewith. As to the remaining allegations contained in this Paragraph, which concern purported representations made to employment applicants to the WMMA Companies, Agostini does not have, and is unable to obtain, information sufficient to form a belief as to the truth or falsity of such allegations, and such allegations are therefore denied.

43. Agostini neither admits nor denies the allegations contained in this Paragraph that concern the content of various trust and sale agreements. Such documents speak for themselves. Agostini respectfully refers the Court to such documents for a true reflection of their contents, and denies any allegations in this Paragraph inconsistent therewith. To the extent that the remaining allegations in this Paragraph are directed toward a party other than Agostini,

no response is required, and such allegations are therefore denied. To the extent that the remaining allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

44. Admitted only that Agostini had previously worked in the music industry. To the extent that the remaining allegations in this Paragraph are directed toward a party other than Agostini, no response is required, and such allegations are therefore denied. To the extent that the remaining allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

45. Admitted only that Agostini and Daspin's wife, at certain times during the relevant time period discussed in the OIP, had authority to sign, and did sign, checks on behalf of the WMMA Companies. The remaining allegations in this Paragraph are denied.

46. Agostini neither admits nor denies the allegations contained in this Paragraph that concern the content of various PPMs. Such documents speak for themselves. Agostini respectfully refers the Court to such documents for a true reflection of their contents, and denies any allegations in this Paragraph inconsistent therewith. To the extent that the remaining allegations in this Paragraph are directed toward a party other than Agostini, no response is required, and such allegations are therefore denied. To the extent that the remaining allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

ii. **Misrepresentations About the IMC Contract**

47. Agostini neither admits nor denies the allegations contained in this Paragraph that concern the content of various PPMs. Such documents speak for themselves. Agostini respectfully refers the Court to such documents for a true reflection of their contents,

and denies any allegations in this Paragraph inconsistent therewith. The remaining allegations in this Paragraph are denied.

a. **The Misleading Description of the IMC Contract**

48. Agostini neither admits nor denies the allegations contained in this Paragraph that concern the content of various PPMs. Such documents speak for themselves. Agostini respectfully refers the Court to such documents for a true reflection of their contents, and denies any allegations in this Paragraph inconsistent therewith.

49. Agostini neither admits nor denies the allegations contained in this Paragraph that concern the content of various PPMs. Such documents speak for themselves. Agostini respectfully refers the Court to such documents for a true reflection of their contents, and denies any allegations in this Paragraph inconsistent therewith.

50. Denied.

51. To the extent that the allegations in this Paragraph are directed toward a party other than Agostini, no response is required, and such allegations are therefore denied. To the extent that the allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

b. **The Unreasonable Valuations of the IMC Contract**

52. Agostini neither admits nor denies the allegations contained in this Paragraph that concern the content of various PPMs. Such documents speak for themselves. Agostini respectfully refers the Court to such documents for a true reflection of their contents, and denies any allegations in this Paragraph inconsistent therewith. To the extent that the remaining allegations in this Paragraph are directed toward a party other than Agostini, no response is required, and such allegations are therefore denied. To the extent that the remaining

allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

53. To the extent that the allegations in this Paragraph are directed toward a party other than Agostini, no response is required, and such allegations are therefore denied. To the extent that the allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

54. Agostini neither admits nor denies the allegations contained in this Paragraph that concern the content of the January 2012 PPM. This document speaks for itself. Agostini respectfully refers the Court to this document for a true reflection of its content, and denies any allegations in this Paragraph inconsistent therewith. To the extent that the remaining allegations in this Paragraph are directed toward a party other than Agostini, no response is required, and such allegations are therefore denied. To the extent that the remaining allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

55. Agostini neither admits nor denies the allegations contained in this Paragraph that concern the content of the January 2012 PPM. This document speaks for itself. Agostini respectfully refers the Court to this document for a true reflection of its content, and denies any allegations in this Paragraph inconsistent therewith. To the extent that the remaining allegations in this Paragraph are directed toward a party other than Agostini, no response is required, and such allegations are therefore denied. To the extent that the remaining allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

56. To the extent that the allegations in this Paragraph are directed toward a party other than Agostini, no response is required, and such allegations are therefore denied. To

the extent that the allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

57. To the extent that the allegations in this Paragraph are directed toward a party other than Agostini, no response is required, and such allegations are therefore denied. To the extent that the allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

c. Misrepresentations About Cash on Hand

58. Agostini neither admits nor denies the allegations contained in this Paragraph that concern the content of the January 5, 2012 PPM. This document speaks for itself. Agostini respectfully refers the Court to this document for a true reflection of its content, and denies any allegations in this Paragraph inconsistent therewith. To the extent that the remaining allegations in this Paragraph are directed toward a party other than Agostini, no response is required, and such allegations are therefore denied. To the extent that the remaining allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

E. The Offerings of WWMA and WMMA Distribution Securities Were Not Registered

59. Admitted.

60. Agostini does not have, and is unable to obtain, sufficient information to form a belief as to the accreditation status of individuals that invested in the WMMA Companies, or as to the materials provided to purported investors during meetings that Agostini did not attend, and the allegations in this Paragraph concerning such accreditation status are therefore denied. The remaining allegations in this Paragraph are denied.

F. Daspin's and Lux's Receipt of Commissions

61. Denied.

62. To the extent that the allegations in this Paragraph are directed toward a party other than Agostini, no response is required, and such allegations are therefore denied. To the extent that the allegations in this Paragraph are deemed to be directed toward, or require a response from, Agostini, Agostini does not have, and is unable to obtain, sufficient information to form a belief as to the truth or falsity of such allegations, and such allegations are therefore denied.

G. The Roles of Agostini and Lux

63. Admitted only that Agostini, as member of the boards of the WMMA Companies, executed consulting contracts on behalf of those entities. Agostini neither admits nor denies the allegations contained in this Paragraph that concern the content of various trust and sale agreements. Such documents speak for themselves. Agostini respectfully refers the Court to such documents for a true reflection of their contents, and denies any allegations in this Paragraph inconsistent therewith. To the extent the remaining allegations in this Paragraph are directed toward a party other than Agostini, no response is required, and such allegations are therefore denied. To the extent that the remaining allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

64. Admitted only that Agostini was aware of the ownership structure of the WMMA Companies, was aware of Daspin's criminal conviction, and that Agostini had worked with Daspin in connection with certain prior ventures. To the extent the remaining allegations in this Paragraph are directed toward a party other than Agostini, no response is required, and such allegations are therefore denied. To the extent that the remaining allegations in this Paragraph are directed toward, or require a response from, Agostini, they are denied.

65. Denied.

66. The allegations in this Paragraph are directed to a party other than Agostini, and thus, no response is required, and such allegations are therefore denied. To the extent that any of the allegations contained in this Paragraph are directed toward, or are deemed to require a response from, Agostini, they are denied.

H. The End of the Companies

67. Admitted only that the March 2012 El Paso, Texas charity fund-raising mixed martial arts event resulted in a significant financial loss to the WMMA Companies. The remaining allegations in this Paragraph are denied.

VIOLATIONS

68. The allegations contained in this Paragraph consist of legal conclusions directed toward a party other than Agostini, and thus, no response is required, and such allegations are therefore denied.

69. The allegations contained in this Paragraph consist of legal conclusions directed toward a party other than Agostini, and thus, no response is required, and such allegations are therefore denied.

70. The allegations contained in this Paragraph consist of legal conclusions, and thus, no response is required, and such allegations are therefore denied.

71. The allegations contained in this Paragraph consist of legal conclusions directed toward a party other than Agostini, and thus, no response is required, and such allegations are therefore denied.

72. The allegations contained in this Paragraph consist of legal conclusions directed toward a party other than Agostini, and thus, no response is required, and such allegations are therefore denied.

73. The allegations contained in this Paragraph consist of legal conclusions directed toward a party other than Agostini, and thus, no response is required, and such allegations are therefore denied.

III.

Section III. Section III of the OIP contains no factual allegations, and thus, no response is required. To the extent that Section III can be considered to contain factual allegations asserted against Agostini, they are denied.

IV.

Section IV. Section IV of the OIP contains no factual allegations, and thus, no response is required. To the extent that Section IV can be considered to contain factual allegations asserted against Agostini, they are denied.

AFFIRMATIVE DEFENSES

Agostini asserts the following affirmative defenses and reserves the right to amend this Answer to assert other and further affirmative defenses when and if, in the course of his investigation, discovery, or preparation for hearing, it becomes appropriate.

FIRST DEFENSE

The OIP fails to state causes of action upon which relief may be granted.

SECOND DEFENSE

The claims asserted in the OIP are barred by the applicable statutes of limitations.

THIRD DEFENSE

The administrative proceeding deprives Agostini of his right to a jury trial, in violation of the Seventh Amendment.

FOURTH DEFENSE

There is no jurisdiction over Agostini in this forum, as jurisdiction, if any, could only be maintained in a Federal District Court for a number of reasons, including because the administrative law judge system violates the separation-of-powers doctrine, because, pursuant to 28 U.S.C. § 1331 questions exist under federal law, and because the factors enumerated in the SEC's guidelines entitled "Division of Enforcement Approach to Forum Selection in Contested Actions," issued May 8, 2015, require that the claims asserted be litigated in a Federal District Court.

FIFTH DEFENSE

The administrating proceeding does not provide Agostini with due process for a number of reasons, including the unavailability of an indispensable, material witness who, if available, would testify on Agostini's behalf, and including because the evidentiary rules in this forum

favor the SEC.

SIXTH DEFENSE

Agostini has been deprived of equal protection under the law by virtue of the claims being brought as an administrative proceeding.

SEVENTH DEFENSE

The claims set forth in the OIP are barred by the doctrines of waiver, estoppel, and laches.

EIGHTH DEFENSE

Agostini at all time acted with reasonable care. Agostini relied in good faith upon the information, opinions, reports and or/statements prepared or presented by one or more officers, employees, directors or agents of the WMMA Companies, whom Agostini reasonably believed to be reliable and competent in the matters presented.

NINTH DEFENSE

The securities at issue were exempt from registration under the securities laws.

TENTH DEFENSE

The alleged misrepresentations and omissions complained of were not material.

ELEVENTH DEFENSE

Agostini did not make, or cause to be made, any of the purported misrepresentations or omissions complained of.

TWELFTH DEFENSE

Agostini did not obtain money or property by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

THIRTEENTH DEFENSE

The Administrative Proceeding is missing a necessary party, International Marketing Corporation, Inc., which entered into a contract with WMMA for an email and telephone marketing database.

FOURTEENTH DEFENSE

The August 1, 2014 Wells Notice from the SEC Staff to Agostini (the "Wells Notice") did not disclose to Agostini that the SEC Staff was recommending charges against Agostini based on an allegation that Agostini purportedly obtained money or property in violation of Section 17(a)(2) of the Securities Act. Therefore, Agostini was not given proper notice or an opportunity to address this allegation.

FIFTEENTH DEFENSE

Agostini did not engage in, nor did he have any intent to engage in, any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser of any securities.

SIXTEENTH DEFENSE

The OIP fails to allege facts and fails to make a showing sufficient to support any granting of disgorgement against Agostini. There is no evidence that Agostini wrongfully obtained profits or avoided losses by reason of the alleged violations. Further, there is no evidence that investors suffered any losses as a result of the conduct alleged in the OIP.

SEVENTEENTH DEFENSE

Agostini did not take any action that he knew, or reasonably should have known, would have resulted in any violation of the securities laws.

EIGHTEENTH DEFENSE

The OIP fails to allege facts, and fails to make a showing sufficient to support, any

granting of injunctive relief. There is no threat of future violation of any of the securities laws by Agostini.

NINETEENTH DEFENSE

Agostini acted at all times in good faith and did not engage in any manipulative or deceptive act.

TWENTIETH DEFENSE

Agostini did not, directly or indirectly, induce any act or acts constituting the wrongful conduct alleged.

TWENTY-FIRST DEFENSE

Agostini's conduct at all times complied with applicable federal law, statutes and regulations.

TWENTY-SECOND DEFENSE

Agostini hereby adopts and incorporates by reference any and all other affirmative defenses to be asserted by any other Respondent in this action to the extent that he may share in such affirmative defenses.

Dated: New York, New York
June 3, 2015

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